GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:5019
ANSWERED ON:20.12.2002
ECONOMIC REFORMS
V. VETRISELVAN

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the World Bank has sent out a fresh message to India to accelerate its economic reforms in order to improve its overall growth and sustain the gains that have been made on poverty reduction as reported in the `Hindustan Times` dated December 7, 2002;

(b) if so, whether this issue was highlighted in a meeting held at Washington to review India`s performance in terms of the bank`s country assistance strategy parameters for 2001-2004;

(c) if so, the other issues highlighted in the meeting in regard to the economic policy of India; and

(d) the reaction of the Indian Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS [ANANDRAO V. ADSUL]

(a) (b) & (c) The World Bank Board discussed the India Country Assistance Strategy Progress Report on 5.12.2002.The Directors did agree that substantial progress in fiscal consolidation and faster structural reforms will be critical for India to achieve its growth objective and to improve key social indicators more quickly. Directors commended India`s progress in poverty reduction in last decade, noted that accelerated efforts would be needed for India to meet Millennium Development Goals, stressed the need to engage additional states in reform dialogue and supported planned investment lending, including for Railways.

(d) The Government is generally in agreement with the contents of Country Assistance Strategy Update and the conclusions reached in Directors` meeting.